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TAGS: [MTCRE](#) [ETTC](#) [KSCA](#) [PARM](#) [PREL](#)

SUBJECT: MISSILE TECHNOLOGY CONTROL REGIME (MTCR) --
PREVIEWING MTCR PLENARY PROPOSALS WITH BRAZIL AND SOUTH
AFRICA (C)

Classified By: ISN/MTR Director Pam Durham.
Reason: 1.4 (B), (D), (H).

1. (U) This is an action request. Embassies Brasilia and Pretoria, please see paragraphs 3-6.

2. (C) BACKGROUND/PURPOSE/OBJECTIVE: Paragraphs 5 and 6 below contain proposals on Outreach and Machine Tools that the U.S. plans to put forward for adoption at the November 2008 Missile Technology Control Regime (MTCR) in Canberra. In keeping with established practice, we want to preview these proposals with Brazil and South Africa for their input/feedback prior to distributing to all MTCR Partners via the French MTCR Point of Contact in early October. Experience indicates that giving these countries an early alert on MTCR Plenary proposals -- and an opportunity to work out language in advance on areas that otherwise could be problematic for them -- generally increases the prospects for consensus adoption of the proposals at the Plenary.

3. (C) ACTION REQUEST: Drawing as appropriate on the suggested talking points in paragraph 4, request Embassies Brasilia and Pretoria provide the draft proposals in paragraphs 5 and 6 to appropriate host government officials at the earliest available opportunity and request feedback and/or preliminary reactions by September 29.

4. (C) SUGGESTED TALKING POINTS:

(C/REL Brazil/South Africa)

--In preparation for the November 2008 Missile Technology Control Regime (MTCR) Plenary in Canberra, the United States would like to preview with your government two proposals we plan to put forward for Plenary consideration.

--These proposals involve technical outreach to non-MTCR Partners and machine tools. We strongly hope that they can be adopted in Canberra.

--As has been the case in previous years, we would greatly appreciate receiving any preliminary reactions, feedback, or suggestions relating to the proposals prior to our circulating them to all MTCR Partners via the French MTCR Point of Contact.

--We greatly appreciate your ongoing support for missile nonproliferation and look forward to hearing from you.

--We intend to circulate the proposals to all Partners in early October, and therefore would appreciate your feedback by September 29.

5. (C) DRAFT U.S. PROPOSAL ON MACHINE TOOLS:

(C/REL Brazil/South Africa)

Changes to technologies for the development and manufacture of missiles require Missile Technology Control Regime (MTCR) countries to think about emerging technologies and how they impact the Regime's efforts to address the missile proliferation threat. Some of these changes have been subtle, relying on improvements to materials or methods of

manufacture, while others have been more dramatic. As technological advances occur, and advanced materials and products become more commercially available, MTCR Partners need to take steps to ensure that the Regime keeps pace with new technologies and changes in proliferant procurement. One such area is machine tools.

As has been discussed on several occasions by the MTCR Partners in the Information Exchange (IE), there is a continuing demand for high-precision machine tools to support indigenous missile development programs in regions of tension. Given the potential impact of proliferant procurement of machine tools, the MTCR Partners should consider giving greater attention to this issue. In particular, the MTCR Partners should agree that when reviewing licenses to export machine tools, they will consider the potential missile-related application of such equipment during their risk assessment process, taking into consideration that MTCR Partners' national catch-all controls are available to use in addressing concerns about non-controlled machine tools destined for programs of concern. Partners might also want to consider sharing best practices for addressing potential proliferation concerns posed by machine tools. This effort could be supplemented by IE and Licensing and Enforcement Experts (LEEM) papers on machine tools and related procurement and/or interdiction efforts.

In light of the above, it would be prudent to have the Plenary direct the Technical Experts Meeting (TEM) to begin discussing what types of machine tools are useful in missile proliferation with a view to further informing IE and LEEM discussions and to aide Partners in their implementation of catch-all controls.

16. (C) DRAFT U.S. PROPOSAL ON TECHNICAL OUTREACH:

(C/REL Brazil/South Africa)

At the 2007 Athens MTCR Plenary, the MTCR Partners acknowledged the growing risk of proliferation of weapons of mass destruction (WMD) and their means of delivery. Additionally, as noted in the Athens press release, they welcomed the growing awareness of the need for export controls and the expressed interest by many states in cooperating with the MTCR. They also confirmed their intention individually and through the outreach activities of the Chair to consult and cooperate with non-members to promote effective export controls over missiles and missile technology. In particular, they agreed:

"(that the MTCR Chair, assisted by the TEM Chair, as appropriate, will inform, following Plenary decisions, non-member states, as well as the 1540 Committee, of changes to the Guidelines and Annex for their information and use with a view to facilitating the widest possible application of the latest versions of these instruments and enabling interested non-member states to harmonize their controls with those of MTCR Partners. Contacts with non-member states may also include information on the rationale for changes to the Annex, while respecting the principle of confidentiality within the MTCR."

The United States strongly supports the MTCR Partners' commitment to outreach and cooperation with non-members on missile nonproliferation issues. We believe that in view of the ongoing global missile proliferation threat, MTCR Partners need to work side-by-side with non-Partners to actively encourage their support for the Regime's missile nonproliferation efforts, including by implementing the MTCR Guidelines and Annex on a national basis.

Accordingly, we think the Regime should build on the decision taken at the Athens Plenary to promote the widest possible application of MTCR controls by creating a specific opportunity to explain to interested non-member countries the rationale for changes made to the MTCR Guidelines and Annex.

In particular, we believe it would be extremely valuable for

the Regime to hold a meeting for representatives of interested non-Partner countries immediately following the conclusion of the MTCR Reinforced Point of Contact (RPOC) in Paris. The purpose of this meeting would be to brief interested non-Partners on any changes to the MTCR Guidelines and Annex agreed at the previous MTCR Plenary, including by explaining why the changes were made, what they entail from a technical perspective, and the potential impact on licensing reviews.

If such a meeting were held following the 2009 MTCR RPOC meeting in Paris, the main agenda item would be any changes agreed to the MTCR Guidelines and Annex at the 2008 Canberra Plenary. Of course, other questions, including changes from previous years, also could be entertained.

Holding such an outreach activity immediately following the RPOC would be a way to increase MTCR Partner participation in Regime outreach activities and an opportunity for Partners to reach a broader audience. This meeting could include experts from all MTCR countries, as well as the MTCR Chair and the TEM Chair, and would be a way to complement outreach activities undertaken by the MTCR and by the MTCR Partners on a national and regional basis

If Partners agree to host such an outreach event, the French POC could organize the meeting to take place immediately following the 2009 MTCR RPOC meeting in Paris. Additionally, the Partners could consider inviting to this meeting the countries that have membership applications pending with the Regime and the non-Partner countries that have been agreed as possible destinations for MTCR outreach visits at the 2007 Athens Plenary and the 2008 Canberra Plenary.

At the 2009 MTCR Plenary, we would expect the Partners to evaluate the results of this outreach meeting, and then decide whether to hold another meeting in 2010 and whom to invite.

17. (U) POINT OF CONTACT: Please contact ISN/MTR Director Pam Durham with any questions or follow-up related to this issue (202-647-4931; durhampk@state.sgov.gov).

18. (U) Please slug any reporting on this or other MTCR-related issues for ISN/MTR.
RICE

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